

FISCAL NOTE

SB 1808 - HB 1295

March 21, 2007

SUMMARY OF BILL: Requires the State Insurance Committee to develop a plan that provides medical insurance coverage solely for state employees and either an employee's spouse or one (1) dependent (Employee + One plan).

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Assumptions:

- Currently, the state pays 80% of premiums for active employees.
- According to Division of Insurance (DOI) within the Department of Finance and Administration, and based on the assumption that overall plan revenue attributable to state employees electing coverage for spouses and dependents (under existing family coverage) remains constant, there will be no increase in the state's contribution on behalf of state employees.
- According to DOI, any premium savings resulting for state employees electing Employee + One plans would be offset by higher premiums for state employees retaining family coverage. As a result, revenues to the insurance plans would remain relatively constant.
- The cost for the State Insurance Committee to develop such a plan as proposed is estimated as not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James W. White, Executive Director